



ANCHOR RESOURCES LIMITED

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ASX/MEDIA RELEASE

MONDAY, 10 MAY 2010

Wide antimony zone at Wild Cattle Creek

Anchor Resources Ltd (ASX code: AHR) is pleased to announce that further exciting results have been achieved at its 100% owned Wild Cattle Creek antimony (Sb) deposit, in northeastern NSW. The widest zone of anomalous antimony to date from the deposit has been recorded from drillhole 10WRD15, providing excellent potential for significant expansion of the known resource down plunge.

- Hole 10WRD15 intersected **51.2m at 1.7% Sb**
 - with a main stibnite breccia zone of **18m at 3.3% Sb**
 - including a high grade core of **5.5m at 4.8% Sb** and 0.44g/t gold
 - best tungsten interval of **7.7m at 0.61% WO₃**
- Nine diamond holes completed in the current program; tenth hole underway
- **Antimony price has surged** almost 50%, to US\$9,500/t, so far in 2010

Managing Director, Trevor Woolfe, commented **“Anchor’s latest drillhole 10WRD15 has shown great encouragement for further down plunge continuity of the Wild Cattle Creek mineralisation after the widest downhole interval of anomalous antimony to date was recorded. The deposit remains open.”**

Wild Cattle Creek 2010 drill program

Resource estimation and 3D modelling of the Wild Cattle Creek antimony deposit in November 2009 identified drill targets to test for potential resource expansion, both down dip and along strike. In addition, some areas previously drilled in the 1960s and 1990s have been targeted in the 2010 drill campaign to provide greater confidence in historic drill analyses, as well as quantifying gold and tungsten, which was discovered in the 2009 Anchor campaign.

Following on from the impressive first two core holes (10WDD11 and 10WDD12) drilled in 2010, the fifth hole completed (10WRD15) has intersected the widest intersection of anomalous antimony mineralisation to date: **51.2m at 1.69% Sb** (approximately 22m true width). This zone consists of a high grade stibnite breccia core – **5.5m at 4.80% Sb** - surrounded by lower grade peripheral stringer type mineralisation, both uphole and downhole. The high grade core also contains gold credits (5.5m at 0.44g/t gold).



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In addition to the high grade stibnite breccia zone, peripheral tungsten mineralisation immediately adjacent, both uphole and downhole, has been recorded:

176.3 to 179.1m **2.8m at 0.32% WO₃**
 189.6 to 197.3m **7.7m at 0.61% WO₃**

The best results from this hole are compiled in Table 2, along with all other significant results received to date from the current program.

The position of drillhole 10WRD15 (Figure 1) confirms the excellent potential for further expansion of the 2009 resource, particularly down plunge. The Wild Cattle Creek mineralisation remains open both at depth and along strike to the west.

Nine diamond core holes have so far been completed in the current program at the Wild Cattle Creek deposit with the tenth (and final) hole underway (Table 1). Assays from holes 10WRD16, 10WRD17, 10WRD18 and 10WDD19 are awaited, while hole 10WRD20 is currently diamond drilling towards the mineralised zone.

Hole	Prospect	MGA (WGS84)		Dip	Azimuth	Depth (m)
		Easting	Northing			
10WDD11	WCC	473,021	6,656,194	-55	180	75 EOH
10WDD12	WCC	472,916	6,656,165	-60	0	68.8 EOH
10WRD13	WCC	472,895	6,656,272	-75	180	182.6 EOH
10WDD14	WCC	472,900	6,656,272	-75	174	234.3 EOH
10WRD15	WCC	472,783	6,656,303	-60	190	240.0 EOH
10WRD16	WCC	472,783	6,656,307	-70	190	377.1 EOH
10WRD16W	WCC	472,783	6,656,307	-66.4	192.6	148.7 EOH [#]
10WRD17	WCC	472,831	6,656,283	-53	172	144.0 EOH
10WRD18	WCC	472,966	6,656,101	-60	0	170.1 EOH
10WRD19	WCC	472,898	6,656,101	-60	0	195.0 EOH
10WRD20	WCC	472,783	6,656,303	-60	208	240*
10JRC01	Jezebel	473,590	6,656,085	-60	180	100 EOH
10JRC02	Jezebel	473,550	6,656,085	-60	180	109 EOH
					Total to date	2196.1 m

* Drilling underway towards 280m depth

10WRD16W – wedge hole commenced at 88.5m

Table 1 Wild Cattle Creek and Jezebel drillhole details



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Drillhole	From (m)	To (m)	Interval	Antimony (Sb %)	Tungsten (WO ₃ %)	Gold (Au g/t)	Comments
10WDD11	39.5	58.2	18.7m	4.46	0.10	0.10	Previously announced
(incl.)	44.6	48.5	3.9m	3.88	0.24	-	" "
	51.4	56.6	5.2m	9.83	-	0.21	" "
and	58.2	64.5	6.3m	0.31	0.18	-	" "
10WDD12	36.3	50.4	14.1m	2.31	-	0.22	" "
(incl.)	44.2	48.9	4.7m	4.73	-	0.52	" "
10WRD13	105.0	106.0	1.0m	1.03	-	0.20	" "
10WDD14	165.0	168.0	3.0m	2.38	-	0.94	" "
	202.4	203.4	1.0m	8.22	-	0.19	
10WRD15	154.8	206.0	51.2m	1.69	-	-	New result
(incl.)	174.6	192.6	18.0m	3.27	-	0.29	New result
(incl.)	182.5	188.0	5.5m	4.80	-	0.44	New result
and	189.6	197.3	7.7m	-	0.61	-	New result
10WRD16							Assays awaited
10WRD16W							Assays awaited
10WRD17							Assays awaited
10WRD18							Assays awaited
10WRD19							Assays awaited
10WRD20							Drilling in progress
10JRC01	78.0	81.0	3.0m	-	-	0.29	Previously announced
10JRC02	67.0	71.0	4.0m	-	0.12	-	" "
	91.0	94.0	3.0m	-	-	0.33	" "

Table 2 Results received from current Wild Cattle Creek drill program

Half core sampling was on a metre by metre basis, or to geological boundaries as applicable. RC sampling was on a metre by metre basis and split via a three tier splitter on site. Samples were analysed at the ALS Chemex laboratory in Brisbane for a suite of multi-elements including Sb, Au and W. Au was analysed by fire assay/AAS (Au-AA24) while multi-element analyses were done by aqua regia digest (ME-ICP), with subsequent XRF (ME-XRF15b) analysis of higher grade antimony and tungsten results.



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Background

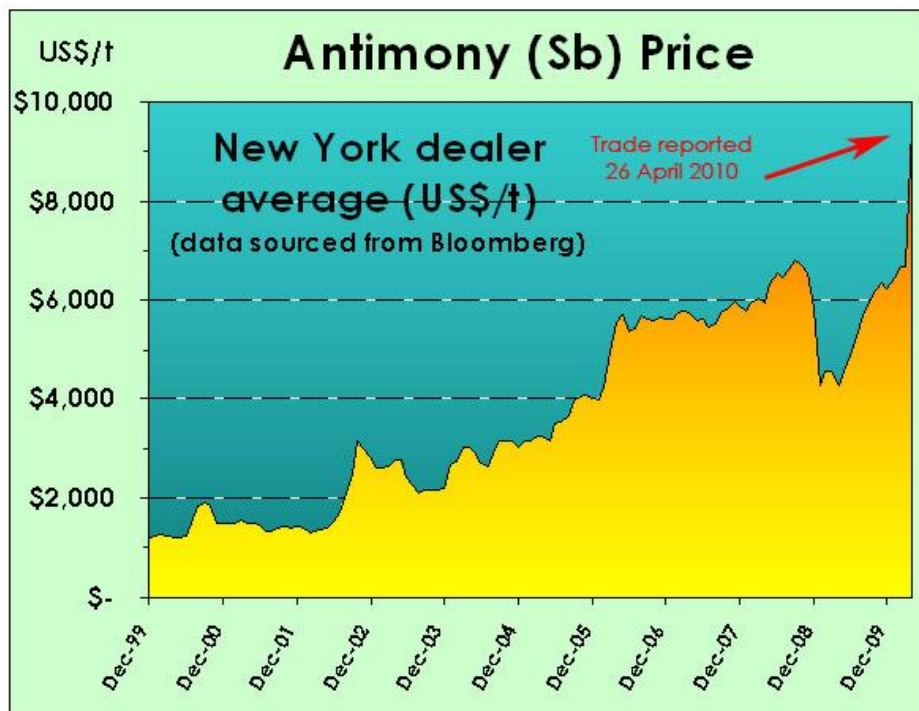
Anchor holds 100% of the Bielsdown Project (EL 6388), located 40km west of Coffs Harbour, which includes the old Wild Cattle Creek antimony mine and Jezebel prospect. First production from the mine was in the late 1800s, with mining and exploration undertaken intermittently since that time. Historically, drilling has been carried out in three phases, during the 1960s and mid 1990s, followed by Anchor's first campaign in 2009.

Following its 2009 drill campaign, Anchor upgraded the JORC compliant resource estimate for the Wild Cattle Creek antimony deposit (refer to ASX announcement dated 23 November 2009).

Antimony Price

The antimony price has surged to record levels over recent weeks as traders report a shortage of available material from the largest producing country - China. Since early April prices have leapt from around US\$7,000/t with some recent reported trades **around \$9,500/t**, equivalent to ~US\$4.30/lb. This is up a staggering 47% since the start of the year.

The situation is thought to be due to a combination of drought related hydropower cuts to smelters in Hunan province, as well as a hard line environmental approach by local government designed to rationalise the number of producers in the province.





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What is antimony?

Stibnite (Sb_2S_3) is the main ore mineral of the element antimony (Sb). Antimony ores are beneficiated and processed into antimony metal or oxide. Antimony mine production is concentrated very heavily in China (91% of world output in 2008). Antimony is primarily used as an enhancer of flame retardants, in production of PET plastics or a hardening and strengthening agent for lead and zinc alloys. These alloys are used in lead storage batteries, solder, sheet and pipe metal, bearings, castings, ammunition and pewter, particularly for use in wet-cell batteries.

For further information, contact Trevor Woolfe (Managing Director) at Anchor Resources Limited in Sydney on **02 9279 1231**.

Yours sincerely

ANCHOR RESOURCES LIMITED

Trevor Woolfe - Managing Director

Declaration and JORC Compliance: *The information in this report relating to Exploration Results is based on information compiled by Trevor Woolfe BSc(Hons), MAusIMM. Mr Woolfe is Managing Director and consultant to Anchor Resources Limited. Mr Woolfe has sufficient experience relevant to the assessment of this style of mineralisation to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code". Mr Woolfe consents to the inclusion of the information in the report in the form and context in which it appears.*

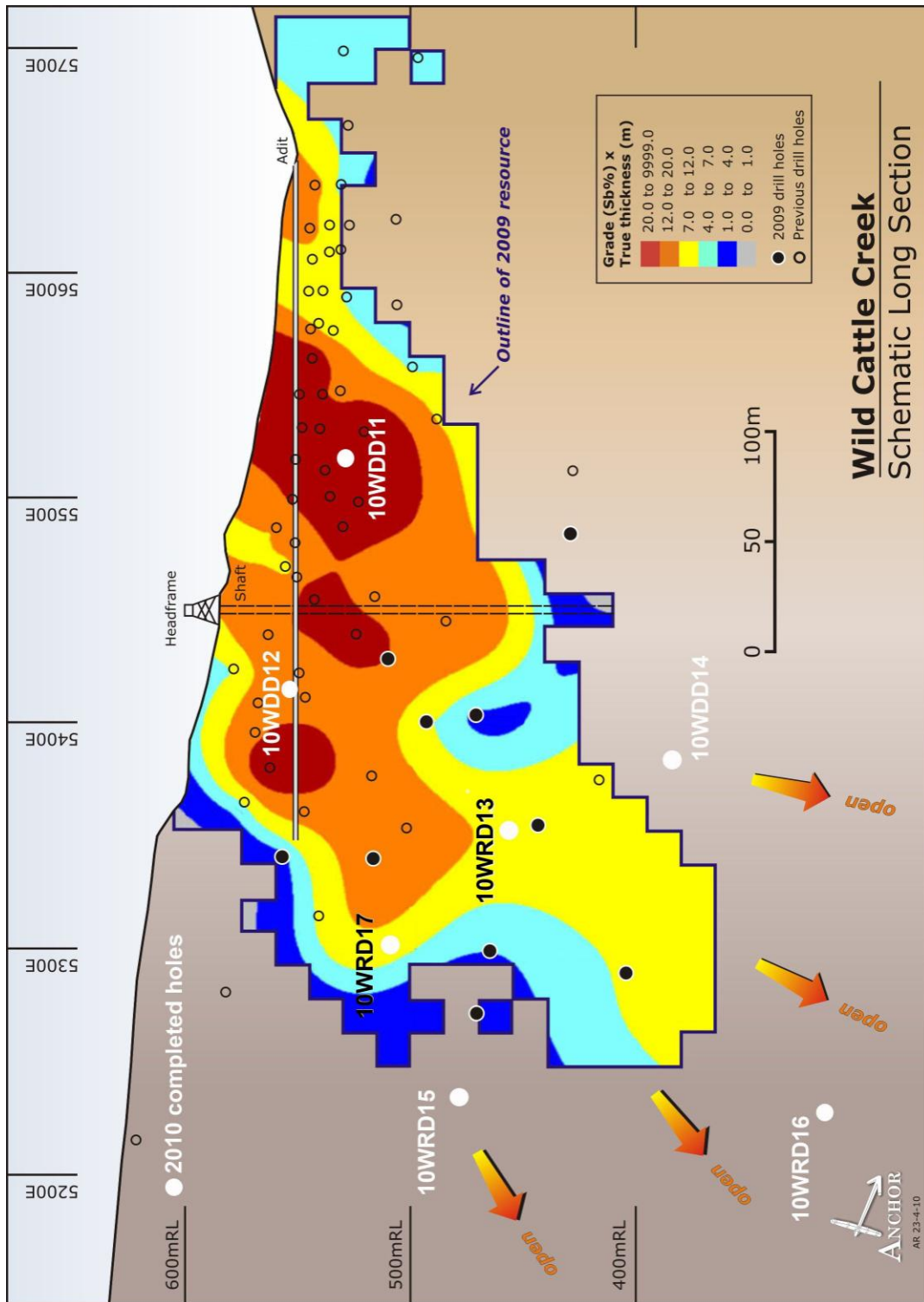


Figure 1